

Hearing Date: February 16, 2011 at 10:00 A.M.

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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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<b>In re</b>	: <b>Chapter 11 Case No.</b>
	:
<b>LEHMAN BROTHERS HOLDINGS INC., et al.,</b>	: <b>08-13555 (JMP)</b>
	:
<b>Debtors.</b>	: <b>(Jointly Administered)</b>
	:
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**DECLARATION OF CHRISTOPHER MILENKEVICH IN SUPPORT OF  
OBJECTION TO FIDELITY NATIONAL TITLE INSURANCE  
COMPANY'S MOTION TO COMPEL COMPLIANCE WITH  
REQUIREMENTS OF TITLE INSURANCE POLICIES INSURING  
DEEDS OF TRUST HELD BY THE BANKRUPTCY ESTATE  
OF DEBTOR LEHMAN COMMERCIAL PAPER INC. PURSUANT  
TO SECTIONS 105, 362, 365 AND 1107 OF THE BANKRUPTCY CODE**

TO THE HONORABLE JAMES M. PECK  
UNITED STATES BANKRUPTCY JUDGE:

I, Christopher Milenkevich, declare and state as follows:

1. I am an attorney with the law firm of Cadwalader, Wickersham & Taft LLP  
located in New York, New York, which serves as counsel to Lehman Commercial

Paper Inc. (“LCPI”), in its capacity as first lien administrative agent to a syndicate of financial institutions who are secured creditors of the jointly administered chapter 11 estates of LBREP/L-SunCal Master I LLC (“SunCal”), LBREP/L-SunCal McAllister Ranch LLC (“SunCal McAllister”), LBREP/L-McSweeney Farms LLC (“SunCal McSweeney”), and LBREP/L-SunCal Summerwind Ranch LLC (“SunCal Summerwind” and, collectively, the “Debtors”), whose cases are currently pending before the United States Bankruptcy Court for the Central District of California (the “California Bankruptcy Court”) (Case No. 08-15588).

2. The facts stated herein are personally known to me and, if called as a witness, I could and would testify to the truth of these facts. I submit this Declaration in support of the *Objection to Fidelity National Title Insurance Company’s Motion to Compel Compliance with Requirements of Title Insurance Policies Insuring Deeds of Trust Held by the Bankruptcy Estate of Debtor Lehman Commercial Paper Inc. Pursuant to Sections 105, 362, 365 and 1107 of the Bankruptcy Code*, dated February 9, 2011 [Docket No. 14398] (the “Objection”).
3. In 2006 and 2007, SunCal entered into three separate Lien Credit Agreements with LCPI, as administrative agent and lender, pursuant to which SunCal borrowed approximately \$395 million in the form of three loans to finance, among other things, the McAllister Ranch, McSweeney Farms, and Summerwind Ranch real estate development projects (the “Projects”). SunCal McAllister, SunCal McSweeney and SunCal Summerwind, as owners of the respective Projects, guaranteed SunCal’s obligations under these Lien Credit Agreements

and executed deeds of trust against their respective properties to secure those guaranties.

4. Fidelity National Title Insurance Company (“Fidelity”) issued five title insurance policies to LCPI relating to the Projects. The 1970 form ALTA Loan Policy (10-17-70 and 10-17-84) No. 44-94-120334 (the “First Policy”), dated January 19, 2006, insured the first priority of the deeds of trust for the First Lien Credit Agreement (the “First Lien Deeds of Trust”), and the 1970 form ALTA Loan Policy (10-17-70 and 10-17-84) No. 27-44-94-120335, (the “Second Policy”) dated January 19, 2006, insured that the deeds of trust for the Second Lien Credit Agreement (the “Second Lien Deeds of Trust”) were recorded junior only to the First Lien Deeds of Trust. In addition, Fidelity issued three distinct 1992 Form Alta Loan Policies, Nos. CAFNT0925-0925-0199-0259902517, CAFNT0925-0925-0199-0259902518, and CAFNT0925-0925-0199-0259902519 (collectively, the “Third Lien Policies” and, together with the First Policy and the Second Policy, the “Policies”), which insured that the deeds of trust for the Third Lien Credit Agreement (the “Third Lien Deeds of Trust”) were recorded junior only to the First and Second Lien Deeds of Trust.<sup>1</sup>

5. LCPI has since tendered claims against the First Policy, seeking defense and indemnification relating to actions initiated by various mechanics’ lien holders asserting priority over the First Lien Deeds of Trust. As a result of the Debtors’

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<sup>1</sup> LCPI has resigned as agent with respect to the lien credit agreements insured by the Second Policy and the Third Lien Policies.

bankruptcy proceedings, all mechanics' lien actions against the Debtors in state court have been stayed. One mechanic's lien dispute is currently pending in an adversary proceeding before the California Bankruptcy Court styled as Superior Pipelines, Inc. v. LBREP/L-SunCal McAllister Ranch LLC (Adv. Proc. No. 09-01318) (the "Adversary Proceeding"). The mechanics' lien claims that are in dispute in the Adversary Proceeding are the largest of such claims by dollar amount that relate to the First Lien Deeds of Trust. As further described below, LCPI has asked, and has been assured by Fidelity, that all relevant documents have been made available for the defense of that action, which is currently in mediation.

6. On September 21, 2010, Fidelity filed its *Motion to Compel Compliance with Requirements of Title Insurance Policies Insuring Deeds of Trust Held by the Bankruptcy Estate of Debtor Lehman Commercial Paper Inc. Pursuant to Sections 105, 362, 365 and 1107 of the Bankruptcy Code* (the "Motion"), seeking an order compelling LCPI to (i) furnish Fidelity with additional information and documentation, (ii) "cure" its alleged default under the Policies, (iii) provide Fidelity with adequate protection in the form of cooperation with respect to the Policies, and (iv) not trigger a denial of coverage under the Policies by failing to cooperate with Fidelity, pursuant to LCPI's purportedly applicable fiduciary duty as a debtor-in-possession.
7. In the Motion, Fidelity seeks to compel LCPI to act in accordance with its "duty to cooperate" under each of the Policies. However, LCPI has only tendered claims against the First Policy, and, accordingly, only LCPI's obligations under

the First Policy are relevant to its obligations with respect to the defense and indemnification of actions asserting priority over the First Lien Deeds of Trust.

8. Contrary to Fidelity's assertions in the Motion, LCPI has been fully cooperative in its production of construction and loan administration documents and has provided Fidelity with a substantial volume of such materials and information. LCPI has provided Fidelity with documents pertaining to loan administration, including information regarding the creation, performance and modification of LCPI's loans, much of which was provided to LCPI by TriMont Real Estate Advisors Inc. ("TriMont"), in its role as disbursement agent. Attached hereto as Exhibit A is a list that, to the best of my knowledge, accurately reflects all documents that have been delivered to Fidelity as of the date hereof.
9. In particular, LCPI has provided stop notices; loan disbursement files, including accounting and other records of loan balances throughout the duration of the loans; records of payments made by SunCal or other parties with respect to the loans; and records of disbursement and inspection agents retained by LCPI. In addition, LCPI has provided Fidelity with construction related documents, including construction budgets, progress reports, and market studies, much of which was provided to LCPI by M. Delvin & Associates ("Delvin"), as construction consultant to TriMont and Lehman Brothers, Inc. In particular, LCPI has provided Fidelity with records evidencing commencement of construction on the Projects; records of construction interruption and/or cessation; documents reflecting sequencing, scheduling and the geographic scope of the

work; inspection reports; construction budgets; and correspondence between or among the SunCal Subsidiaries, the Parent, and LCPI.

10. Since Fidelity filed the Motion in September of 2010, LCPI has continued to cooperate with Fidelity by conferring with Fidelity's representatives and providing additional materials. On October 29, 2010, LCPI met with Fidelity's representatives for the purpose of determining what additional documents and information Fidelity believed LCPI could provide to further Fidelity's investigation of LCPI's title insurance claims. On November 1, 2010, LCPI sent Fidelity additional draw requests and other materials generated by Trimont, and on November 2, 2010, LCPI provided Fidelity with additional construction reports created by Delvin, all as set forth on Exhibit A.
11. After Fidelity filed the Motion Fidelity caused the filing of a motion for summary judgment (the "Summary Judgment Motion") on October 29, 2010 in favor of LCPI in the Adversary Proceeding. The Adversary Proceeding is currently in mediation, and the Motion for Summary Judgment is scheduled to be heard by the California Bankruptcy Court on March 3, 2011. Fidelity has not asked LCPI for any additional documents to support the Summary Judgment Motion. LCPI has asked, and has been assured by Fidelity, that all relevant documents have been made available for the defense of the Adversary Proceeding, which is the only active proceeding for which LCPI has tendered claims against the First Policy.

12. At this time, I am not aware of any additional documents or information in LCPI's possession that have not already been produced that would be of further use and relevance to Fidelity.

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I declare under penalty of perjury under the laws of the United States of America  
that the foregoing is true and correct. Executed February 11, 2011.

/s/ Christopher Milenkevich

Christopher Milenkevich



**EXHIBIT A**

**DOCUMENTS PROVIDED TO FIDELITY**

**April 1, 2008**

1. 3/7/08 letter from Allen Matkins tendering the claim
2. Fidelity title policies for the first and second lien loan transactions
3. Fidelity commitments for third lien loan transactions

**September 30, 2008 (email from Milenkevich to Narayanan -- no exhibits)**

1. First Lien Credit Agreement dated January 19, 2006 (executed)
2. First Amendment and Waiver to First Lien Credit Agreement dated March 9, 2006 (executed)
3. Second Amendment and Waiver to First Lien Credit Agreement dated November 22, 2006 (executed)
4. Third Amendment and Waiver to First Lien Credit Agreement dated February 6, 2007 (not executed)
5. Fourth Amendment and Waiver to First Lien Credit Agreement dated January 31, 2008 (executed)

**October 9, 2008**

1. Notice of resignation as second lien administrative agent
2. Notice of resignation as third lien administrative agent
3. Provides contact information of Brian Gross and Andrew Wilson

**October 24, 2008**

1. Closing Binders

**October 28, 2008 (email from Blodgett to MSR)**

1. Memorandum of Third Lien Collateral Assignment of Deed of Trust (tab 27, 28) third lien (Patterson Ranch)
2. Memorandum of Third Lien Collateral Assignment of Option Agreement (tab 27, 28) third lien (Patterson Ranch)

3. Second Lien Deed of Trust, Security Agreement, Assignment of Leases and Rents, and Fixture Filing (tab 27) second lien (Summerwind)

**October 30, 2008**

1. Third Lien Pre-Negotiation Agreement (Exhibit C to the First Amendment and Waiver to Third Lien Credit Agreement)
2. Consent and Waiver to the First Lien Credit Agreement (unexecuted)

**October 31, 2008 -- (email from Blodgett to A. Wilson at Loeb; response to request)**

1. Annexes A-E, Schedules 1.1A (Existing Mortgage Indebtedness), 1.1C (Third-Party Homebuilders), and 7.2(d) (Existing Indebtedness) and Exhibit M (Form of Subordination and Non-Disturbance Agreement) to the First Lien Credit Agreement
2. Homebuilder Contract Subordination, Recognition, Non-Disturbance and Attornment Agreement (Planning Area 2.13) for the First and Second Liens
3. The Second Lien Credit Agreement dated January 19, 2006 (executed)
4. The Third Lien Credit Agreement dated February 6, 2007 (executed)
5. The Third Lien Deed of Trust, Security Agreement, Assignment of Leases and Rents, and Fixture Filing dated February 6, 2007 (executed) (McAllister Ranch)
6. All loan documents for the First, Second and Third Lien Credit Agreements, including annexes, schedules and exhibits.

**October 31, 2008 (email from Scollan to MSR/Loeb)**

1. Preliminary 20-Day Notices for three projects (McSweeney, Summerwind, McAllister)
2. Stop Notice served by Petrotech Resources Company, Inc. (McAllister Ranch)

**November 3, 2008**

1. The appraisals which constitutes Schedule 1.1D to the First Lien Credit Agreement and Second Lien Credit Agreement and Third Lien Credit Agreement (prepared by Cushman & Wakefield) (approximately 250 pages each)

**December 5, 2008**

1. First Production Disks (See Exhibit A-1 below for list of contents)

**December 23, 2008**

1. Second Production Disks (See Exhibit A-2 below for list of contents)

**January 22, 2009 (forwarding 1/19/06 e-mail)**

1. SunCal Distribution (wire request 1/18/06)
2. Lakeside Distribution (wire request 1/18/06)
3. Lehman Distribution (wire request 1/18/06)

**February 26, 2009**

1. Third Production Disks (See Exhibit A-3 below for list of contents)

**November 1, 2010**

1. Disbursement Request dated March 31, 2006, and related materials
2. Chart of Cash Needs for May and June 2006
3. Borrowing Notice dated May 8, 2006
4. Borrowing Notice dated June 19, 2006
5. Borchard Invoice List dated February 1, 2007
6. Pool I Draw Request for Cash Needs through February 15, 2007
7. McAllister Ranch Invoice dated January 29, 2007
8. McSweeny Farms Invoice dated January 30, 2007
9. Summerwind Ranch Invoice dated February 1, 2007
10. Borrowing Notice dated April 23, 2007 and related materials
11. Borchard Invoice List dated May 29, 2007
12. McAllister Ranch Invoice dated May 29, 2007
13. McSweeny Farms Invoice dated May 21, 2007
14. Pool I Budget vs. Actual Spends to Date dated May 29, 2007
15. Borrowing Notice dated May 22, 2007
16. Summerwind Ranch Cash Needs through June 15, 2007
17. Pool I Budget vs. Actual Spends to Date dated July 23, 2007
18. Borrowing Notice dated July 18, 2007

19. Pool I Invoice Lists date July 23, 2007
20. Borrowing Notice and Draw Requests dated August 20, 2007

**November 2, 2010**

1. McAllister Ranch Development project status report (January 2006 update review) prepared by M. Delvin & Associates
2. McAllister Ranch Development project status report (April 2006 update review) prepared by M. Delvin & Associates
3. McAllister Ranch Development project status report (June 2006 update review) prepared by M. Delvin & Associates
4. McAllister Ranch Development project status report (August 2006 update review) prepared by M. Delvin & Associates
5. McAllister Ranch Development project status report (October 2006 update review) prepared by M. Delvin & Associates
6. McAllister Ranch Development project status report (December 2006 update review) prepared by M. Delvin & Associates
7. McSweeney Farms Development, Hemet, California, project status report (January 2006 update review) prepared by M. Delvin & Associates
8. McSweeney Farms Development, Hemet, California, project status report (April 2006 update review) prepared by M. Delvin & Associates
9. McSweeney Farms Development, Hemet, California, project status report (June 2006 update review) prepared by M. Delvin & Associates
10. McSweeney Farms Development, Hemet, California, project status report (October 2006 update review) prepared by M. Delvin & Associates
11. McSweeney Farms Development, Hemet, California, project status report (December 2006 update review) prepared by M. Delvin & Associates
12. McSweeney Farms Development, Hemet, California, project status report (April 2007 update review) prepared by M. Delvin & Associates
13. Summer Wind Ranch project status report (January 2006 update review) prepared by M. Delvin & Associates
14. Summer Wind Ranch project status report (April 2006 update review) prepared by M. Delvin & Associates

15. Summer Wind Ranch project status report (June 2006 update review) prepared by M. Delvin & Associates
16. Summer Wind Ranch project status report (August 2006 update review) prepared by M. Delvin & Associates
17. Summer Wind Ranch project status report (October 2006 update review) prepared by M. Delvin & Associates
18. Summer Wind Ranch project status report (December 2006 update review) prepared by M. Delvin & Associates
19. Summer Wind Ranch project status report (April 2007 update review) prepared by M. Delvin & Associates

EXHIBIT A-1

**FIRST PRODUCTION DISKS**

1. Budget summary/variance report for Summerwind project
  2. CFD detail report for Summerwind project
  3. Various land improvement cost estimates for the Summerwind project
  4. PeopleSoft cost codes for various project costs
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5. McAllister Ranch Development project status report (August 2007 update review)  
prepared by M. Delvin & Associates
  6. McAllister Ranch Development project status report (December 2007 update review)  
prepared by M. Delvin & Associates
  7. McAllister Ranch Development project status report (June 2007 update review) prepared  
by M. Delvin & Associates
  8. McAllister Ranch Development project status report (October 2007 update review)  
prepared by M. Delvin & Associates
  9. McAllister Ranch Development project status report (February 2007 update review)  
prepared by M. Delvin & Associates
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10. McSweeney Farms Development, Hemet, California, project status report (June 2007  
update review) prepared by M. Delvin & Associates
  11. McSweeney Farms Development, Hemet, California, project status report (August 6,  
2007 update review) prepared by M. Delvin & Associates
  12. McSweeney Farms Development, Hemet, California, project status report (August 2007  
update review) prepared by M. Delvin & Associates
  13. McSweeney Farms Development, Hemet, California, project status report (December  
2007 update review) prepared by M. Delvin & Associates
  14. McSweeney Farms Development, Hemet, California, project status report (February 2007  
update review) prepared by M. Delvin & Associates

15. McSweeney Farms Development, Hemet, California, project status report (February 2007 update review) prepared by M. Delvin & Associates

16. McSweeney Farms Development, Hemet, California, project status report (October 2007 update review) prepared by M. Delvin & Associates

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17. Summer Wind Ranch project status report (February 2007 update review) prepared by M. Delvin & Associates

18. Summer Wind Ranch project status report (August 2007 update review) prepared by M. Delvin & Associates

19. Summer Wind Ranch project status report (December 2007 update review) prepared by M. Delvin & Associates

20. Summer Wind Ranch project status report (June 2007 update review) prepared by M. Delvin & Associates

21. Summer Wind Ranch project status report (October 2007 update review) prepared by M. Delvin & Associates

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22. Project cost summary report for McAllister project (as of 12/31/2007)

23. McAllister Ranch project schedule (7/31/07) (approximately 165 pages)

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24. McAllister Ranch Phase I master budget (25 pages)

25. McAllister Ranch Phase III master budget (15 pages)

26. McAllister Ranch Phase I master budget (25 pages)

27. McAllister Ranch Phase II master budget (18 pages)

28. McAllister Ranch Phase IV master budget (23 pages)

29. McAllister Ranch in-tract budget Phase I

30. McAllister Ranch land improvement cost estimate (approximately 300 pages)

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31. Borrower estimated closing statement - Estimate No. 3 dated January 19, 2006 from Fidelity National Title Company

32. Lehman Bros. settlement statement dated January 19, 2006

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33. ALTA survey for McAllister Ranch (8 pages)

34. Project cost summary report; Summerwind Ranch - Oak Valley Core (as of 12/31/2007)  
(100 pages)

35. Project cost summary report; Summerwind Ranch - Oak Valley Core (as of 12/31/2007)  
(5 pages)

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36. Preliminary title report from Fidelity for the McSweeney Farms project for Planning  
Area 10

37. Preliminary title report from Fidelity for the McSweeney Farms project for Planning  
Area 11

38. Preliminary title report from Fidelity for the McSweeney Farms project for Planning  
Area 20

39. Preliminary title report from Fidelity for the McSweeney Farms project for Planning  
Area 21

40. Preliminary title report from Fidelity for the McSweeney Farms project for Planning  
Area 22

41. Preliminary title report from Fidelity for the McSweeney Farms project for Planning  
Area 26

42. Preliminary title report from Fidelity for the McSweeney Farms project for Planning  
Area 27

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43. Land development 90-day spend projection dated 8/31/07 for McSweeney Farms (1  
page)

44. Bond tracking worksheet dated 8/31/07 for McSweeney Farms (1 page)

45. Budget summary/variance report dated 8/31/07 for McSweeney Farms

46. CFD detail for McSweeney Farms dated 8/31/07

47. Variance report for McSweeney Farms dated 8/31/07

48. In-tract (builder) fee worksheet dated 8/31/07 for McSweeney Farms



49. Land improvement cost estimate for McSweeney Farms for the month ended 8/31/07 (approximately 250 pages)
50. Modeled job cost codes for PeopleSoft (approximately 25 pages)
51. Land development 90-day spend projection dated 12/31/07 for McSweeney Farms
52. Bond tracking worksheet dated 10/31/07 for McSweeney Farms
53. Budget summary/variance report dated 12/31/07 for McSweeney Farms
54. CFD detail for McSweeney Farms dated 12/31/07
55. Variance report for McSweeney Farms dated 12/31/07
56. In-tract (builder) fee worksheet dated 12/31/07 for McSweeney Farms
57. Land improvement cost estimate for McSweeney Farms for the month ended 12/31/07 (approximately 340 pages)
58. Modeled job cost codes for PeopleSoft (approximately 30 pages)
59. Land development 90-day spend projection dated 9/30/07 for McSweeney Farms
60. Bond tracking worksheet dated 9/30/07 for McSweeney Farms
61. Budget summary/variance report dated 9/30/07 for McSweeney Farms
62. CFD detail for McSweeney Farms dated 9/30/07
63. Variance report for McSweeney Farms dated 9/30/07
64. In-tract (builder) fee worksheet dated 9/30/07 for McSweeney Farms
65. Land improvement cost estimate for McSweeney Farms for the month ended 9/30/07
66. Modeled job cost codes for PeopleSoft

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67. Land development 90-day spend projection dated 8/31/07 for Summerwind
68. Bond tracking worksheet dated 8/31/07 for Summerwind
69. Project summary/variance report dated 8/31/07 for Summerwind
70. CFD detail for Summerwind dated 8/31/07
71. Reimbursements summary dated 8/31/07 for Summerwind

- 72. Variance report for Summerwind dated 8/31/07
- 73. Land improvement cost estimate for Summerwind for the month ended 8/31/07  
(approximately 600 pages)
- 74. Modeled job cost codes for PeopleSoft
- 75. Summerwind sum of all phases cash flow dated 7/30/07 (8 pages)

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- 76. Land development 90-day spend projection dated 9/30/07 for Summerwind
- 77. Bond tracking worksheet dated 9/30/07 for Summerwind
- 78. Project summary/variance report dated 9/30/07 for Summerwind
- 79. CFD detail for Summerwind dated 9/30/07
- 80. Reimbursements summary dated 9/30/07 for Summerwind
- 81. Variance report for Summerwind dated 9/30/07
- 82. Land improvement cost estimate for Summerwind for the month ended 9/30/07  
(approximately 700 pages)
- 83. Modeled job cost codes for PeopleSoft
- 84. Summerwind sum of all phases cash flow dated 7/30/07 (7 pages)

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- 85. Budget summary/variance report dated 6/30/05 for McSweeney Farms
- 86. CFD detail for McSweeney Farms dated 6/30/05
- 87. Land improvement cost estimate for McSweeney Farms for the month ended 6/30/05  
(approximately 300 pages)
- 88. McSweeney Farms project schedule (revised 12/12/07) (86 pages)

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- 89. Budget summary/variance report dated 12/31/07 for Mountainside
- 90. CFD detail dated for Mountainside 12/31/07
- 91. Reimbursements summary dated 12/31/07 for Mountainside

92. Variance report for Mountainside dated 12/31/07
93. Land improvement cost estimate for Mountainside dated 12/31/07 (approximately 700 pages)
94. Modeled job cost codes for PeopleSoft
95. Summerwind Ranch sum of all phases cash flow dated 11/30/07 (7 pages)

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96. Project cost summary report for McSweeney Farms dated 12/31/07 (approximately 50 pages)
97. Land development 90-day spend projection for Mountainside dated 12/31/07
98. Bond tracking worksheet for Mountainside 12/31/07
99. Conceptual budgetary costs comparison analysis for McSweeney Farms
100. Construction services review checklist for McSweeney Farms (3 pages)
101. Conceptual budgetary costs analysis for McSweeney Farms dated 8/23/05 prepared by EMG (draft) (approximately 10 pages)
102. ALTA/ACSM land title survey for McSweeney Farms (approximately 25 pages)

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103. Conceptual budgetary costs analysis for Oak Valley Core: Summerwind dated 8/26/05 prepared by EMG (draft)
104. Project summary/variance report for Summerwind dated 6/30/05
105. Land improvement cost estimate for Summerwind dated 6/30/05 (approximately 75 pages)

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106. Construction services review checklist for McAllister Ranch (5 pages)
107. Conceptual budgetary costs analysis for McAllister Ranch dated 8/23/05 prepared by EMG (draft) (9 pages)
108. McAllister Ranch master budgets for Phases I through IV (approximately 40 pages)

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109. McAllister Ranch master budget for Phases I through IV

- 110. McAllister project in-tract budgets (5 pages)
- 111. Land improvement cost estimates for McAllister project (approximately 300 pages)
- 112. McAllister in-tract budgets (approximately 5 pages)

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- 113. Project summary/variance report for McAllister Ranch dated 9/30/07
- 114. Variance report for McAllister Ranch dated 9/30/07
- 115. Land improvement cost estimate for McAllister Ranch dated 9/30/07 (approximately 1,150 pages)
- 116. Modeled job cost codes for PeopleSoft (approximately 30 pages)

EXHIBIT A-2

**SECOND PRODUCTION DISKS**

1. Borrowing notice: first lien revolver dated 10/11/07 from SunCal Companies to Lehman Commercial Paper, Inc. (3 pages)
2. Borrowing notice: first lien revolver dated 9/26/06 from SunCal Companies to Lehman Commercial Paper, Inc. (2 pages)
3. Borrowing notice: first lien revolver dated 3/22/07 from SunCal Companies to Lehman Commercial Paper, Inc. (3 pages)
4. Borrowing notice: first lien revolver dated 4/23/07 from SunCal Companies to Lehman Commercial Paper, Inc. (3 pages)
5. Open A/P details with aging (1 page)
6. General ledger detailing various costs (4 pages)
7. Request for payment and authorization to disburse for McSweeney Farms dated 4/17/07 (5 pages)
8. Open A/P report for Summerwind Ranch dated 5/18/07 (2 pages)
9. Borrowing notice: first lien revolver dated 5/22/07 from SunCal Companies to Lehman Commercial Paper, Inc. (3 pages)
10. Borrowing notice: first lien revolver dated 8/21/06 from SunCal Companies to Lehman Commercial Paper, Inc. (2 pages)
11. Draw request detailing cash needs through 9/15/07 for Ranch properties (1 page)
12. Borrowing notice: first lien revolver dated 8/20/07 from SunCal Companies to Lehman Commercial Paper, Inc.
13. Open A/P details with aging for Patterson Ranch (1 page)
14. McAllister invoice list which details costs (5 pages)
15. McSweeney Farms request for payment and authorization to disburse dated 8/16/07 (7 pages)
16. Summerwind cash needs through 9/15/07 (3 pages)
17. Approved development budget vs. spends to date for Consolidated Pool 1 (spent through 7/31/07) (1 page)

18. Approved development budget vs. spends to date for Borchard Patterson (spent through 7/31/07) (1 page)
19. Approved development budget vs. spends to date for McAllister (spent through 7/31/07) (1 page)
20. Approved development budget vs. spends to date for McSweeney (spent through 7/31/07) (1 page)
21. Approved development budget vs. spends to date for Oak Valley Core (spent through 7/31/07) (1 page)
22. Borrowing notice: first lien revolver dated 7/24/06 from SunCal Companies to Lehman Commercial Paper, Inc. (3 pages)
23. Spreadsheet (untitled) showing draws and repricing between Euros and U.S. Dollars (including payments) (3 pages)
24. SunCal Master I LLC draw tracking for the first lien revolver showing the total revolving credit commitment minus various draws
25. Aggregate spreadsheet showing total improvement costs, total financing costs and total draws
26. Aggregate spreadsheet showing total improvement costs, total financing costs and total draws (Oak Valley Core) (2 pages)
27. Aggregate spreadsheet showing total improvement costs, total financing costs and total draws (McSweeney) (2 pages)
28. Aggregate spreadsheet showing total improvement costs, total financing costs and total draws (Borchard) (2 pages)
29. Aggregate spreadsheet showing total improvement costs, total financing costs and total draws (McAllister) (2 pages)

EXHIBIT A-3

**THIRD PRODUCTION DISKS**

1. Market update for Stetson Ranch, McSweeney Farms and San Pedro Farms, prepared by Concord Group for SunCal Companies, final report, dated 3/19/07; includes various market analyses (approximately 100 pages)
2. Updated market analysis and product program recommendations for the McSweeney Farms master-planned community in Hemet, California, prepared by Concord Group for SunCal Companies, final report dated 11/10/04 (approximately 100 pages)
3. Market update for Stetson Ranch, McSweeney Farms and San Pedro Farms in Central Riverside County, California, prepared by Concord Group for SunCal Companies, final report, dated 9/14/06 (approximately 100 pages)
4. Market update for Stetson Ranch, McSweeney Farms and San Pedro Farms in Central Riverside County, California, prepared by Concord Group for SunCal Companies, working session, dated 8/28/07 (approximately 100 pages)

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5. Market update for SunCal Bakersfield Properties, prepared by Concord Group for SunCal Companies, final report, dated 3/26/07 (approximately 100 pages)
  6. Market update for SunCal Bakersfield Properties, prepared by Concord Group for SunCal Companies, working session, dated 8/28/07 (approximately 100 pages)
  7. Market update and product program recommendations for McAllister Ranch in Bakersfield, California, prepared by Concord Group for SunCal Companies, final report, dated 8/20/04 (approximately 100 pages)
  8. Market update and product program recommendations for McAllister Ranch in Bakersfield, California, prepared by Concord Group for SunCal Companies, final report, dated 8/20/04 (approximately 100 pages)
  9. Market update for SunCal Bakersfield Properties, prepared by Concord Group for SunCal Companies, working session, dated 9/6/06 (approximately 100 pages)
  10. Market and financial feasibility analyses for the proposed McAllister Ranch Golf course in Bakersfield, California, prepared by Concord Group for SunCal Companies, working session, dated 3/9/04 (approximately 100 pages)

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11. Spreadsheet (untitled) showing draws and repricing between Euros and U.S. Dollars (including payments) (3 pages)

12. Email from Dana Curtis of Trimont to Brian Gross re: LBREP Pool 1 draw request (email concerning mechanic's lien from Genesis Construction filed on the McSweeney Farms property for \$1,232,342.29)
13. Spreadsheet entitled McSweeney Farms closing proceeds (1 page)

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14. Market update and product program recommendations for the I-10 corridor market: The Summit, Fairway Canyon, Heartland, Beaumont Heights, and Blackbench; Riverside County, California, prepared by Concord Group for SunCal Companies, working session, dated 5/25/07 (approximately 50-pages)
  15. Market update and product program recommendations for the I-10 corridor market: The Summit, Fairway Canyon, Heartland, Beaumont Heights, and Blackbench; Riverside County, California, prepared by Concord Group for SunCal Companies, final draft, dated 9/14/06
  16. Market update and product program recommendations for the I-10 corridor market: The Summit, Fairway Canyon, Heartland, Beaumont Heights, and Blackbench; Riverside County, California, prepared by Concord Group for SunCal Companies, final report, dated 3/15/06
  17. Market analysis update and product program recommendations for the I-10 corridor; Riverside County, California, prepared by Concord Group for SunCal Companies, working session, dated 8/10/05
  18. Strategic market analysis and positioning strategy for residential development at the Summerwind Ranch master plan in Oak Valley, California, prepared by Concord Group for SunCal Companies, working session, dated 12/15/04
  19. Market update and product program recommendations for the I-10 corridor market: The Summit, Fairway Canyon, Heartland, Beaumont Heights, and Blackbench; Riverside County, California, prepared by Concord Group for SunCal Companies, final report, dated 8/30/07

(Above reports vary from approximately 50-300 pages.)